

November 24, 2025

To,

The General Manager, Listing Department, Bombay Stock Exchange Limited, P.J. Towers, Dalal Street, Mumbai – 400 001 Company code: 533333	The Manager, Listing & Compliance Department The National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra East, Mumbai - 400051 Company code: FCL
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Subject: Transcript of Q2 FY2025-26 Earnings Conference Call held on November 18, 2025

Dear Sir/Madam,

Pursuant to regulation 30 read with Para A of Part A of Schedule III of the SEBI (LODR) Regulations 2015 and with reference to our letter dated November 14, 2025, please find enclosed a copy of the transcript of the Investors/Analyst Concall held on Tuesday, November 18, 2025 at 05.00 PM on Q2 FY2025-26 financial result of the Company.

The above information is also available on the website of the company i.e. www.fineotex.com

This is for your information and records.

Thanking you,

Yours faithfully,
For FINEOTEX CHEMICAL LIMITED

Sunny Parmar
Company Secretary & Compliance Officer



Encl: As above



“Fineotex Chemical Limited Q2 & H1FY'26 Earnings
Conference Call”

November 18, 2025



**MANAGEMENT: MR. SANJAY TIBREWALA - EXECUTIVE DIRECTOR,
FINEOTEX CHEMICAL LIMITED
MS. AARTI JHUNJHUNWALA - EXECUTIVE DIRECTOR,
FINEOTEX CHEMICAL LIMITED
MR. ARINDAM CHOUDHURY - CHIEF EXECUTIVE
OFFICER, TEXTILES, FINEOTEX CHEMICAL LIMITED**

Moderator: Ladies and gentlemen, good evening and welcome to the Q2 & H1FY'26 Earnings Conference Call of Fineotex Chemical Limited.

As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing “*” and then “0” on your touchtone phone. Please note that this conference is being recorded.

I would now like to hand the conference over to Mr. Amit Kumar Sharma from Adfactors. Thank you and over to you, sir.

Amit Kumar Sharma: Thank you, Sagar. Good evening, everybody, and a very warm welcome to you all. Thank you for participating in the Earnings Conference Call of Fineotex Chemical Limited for the quarter ended September 30th, 2025.

Before we begin, please note that this Conference Call may contain forward-looking statements about the Company, which are based on beliefs, opinions, and expectations of the Company as on the date of this call. The statements are not a guarantee of future performance and involve risks and uncertainties that are difficult to predict.

On the call today, we have with us Mr. Sanjay Tibrewala – Executive Director; Ms. Aarti Jhunjunwala – Executive Director and Mr. Arindam Choudhury – Chief Executive Officer, Textiles.

The management will take us through the operational and financial performance for the quarter gone by, following which we will open the forum for Q&A.

I now request Ms. Aarti Jhunjunwala to take us through the Company's performance. Thank you and over to you, ma'am.

Aarti Jhunjunwala: Thank you, Amitji, and a very good afternoon, everyone. It is always a pleasure to connect with our investors, analysts, and stakeholders. We deeply appreciate your time and your trust in Fineotex Chemical Limited. Fineotex is not just a Specialty Chemicals Company, we are a solutions-driven organization built on innovation, customer centricity, and sustainable value creation. Our integrated product range, strong global presence, and deep industry relationships position us to well cater to the evolving needs of a wide spectrum of industries.

Our consolidated revenue has grown at a CAGR of 30.5% since 2020, while our profits have grown by 70.5% CAGR over the same period. During the quarter, the Company demonstrated a strong resilience and continued to outperform the industry on profitability growth. This performance was driven by the Company's focus on product development, ESG-driven innovation and ongoing operational efficiencies. In line with our commitment to employee empowerment and long-term value creation, the Company granted 58,797 stock options to eligible employees. This continues to reinforce the Company's philosophy of recognizing and

rewarding the talent that supports its long-term growth. The company also declared and distributed an interim dividend of Rs. 0.80 on a face value of Rs. 2 each.

The Company undertook two significant corporate actions aimed at enhancing shareholder value and strengthening market participation. First, we announced a bonus issue in the ratio of 4:1, under which the shareholders received four additional shares of every one share held. In addition to the bonus issue, the company also approved a subdivision of equity shares in the ratio of 1 is to 2, effectively splitting each equity share into two shares of a lower face value. Together, these actions are designed to improve stock liquidity, make shares more accessible to a broader base of investors, and reward our long-term shareholders for their continued trust and support.

We also strengthened our governance framework with the appointment of Mr. Chetan Shah as the Non-Executive Independent Director of the Company. Mr. Shah brings us over 30 years of extensive experience across capital markets, institutional sales, securities business, business advisory, and financial planning. His deep understanding of capital markets, strategic advisory capabilities, and strong network within the financial ecosystem will be invaluable in guiding us as we continue to scale our business and broaden our investor base, strengthen governance practices, and grow across domestic and global markets. I would like to now hand over to Arindamji to take us through the key developments in this quarter.

Arindam Choudhuri:

Thank you, Aartiji. A very good evening and thank you everyone for joining us today.

Quarter 2 FY'26 has been a quarter of steady progress for Fineotex Chemical Limited. Supported by our continued focus on product development, sustainability-driven innovation and disciplined operational performance. The Company continues to generate rich cash flows and maintain a strong cash position, providing stability and the ability to invest in emerging opportunities. With that, volume growth across key categories has remained encouraging, and our capacity enhancement plans continue as planned, supporting the next phase of scale-up. We also maintain a strong governance record with zero consumer complaints related to restrictive or unfair trade practices.

During FY'25 and in Quarter 1 of FY'26, the Company has undertaken several CSR initiatives and contributed a substantial amount towards the upliftment of society. Together, these efforts reinforce our long-term commitment to sustainable, transparent, and environmentally responsible growth. The Company recorded healthy volume growth across key product categories, supported by improved demand visibility and stronger customer offtake. This momentum reflects the increasing acceptance of our high-performance and sustainable chemistries solutions in both domestic and international markets. Overall, Quarter 2 FY'26 has been a quarter of strong progress, with healthy momentum across key segments and sustained financial strength.

I would now hand over the call to Mr. Sanjay Tibrewala to take us through the financial performance of the Company. Thank you very much.

Sanjay Tibrewala:

Thank you, Mr. Arindamji. Good afternoon, everyone.

I am pleased to share the Quarter 2 FY'26, we delivered a strong all-round performance with clear sequential improvement across key financial metrics. Total revenue stood at Rs. 145.43 crores, supported by healthy demand across both the domestic and international markets. Our sales mix for the quarter stood at 75% domestic and 25% exports, reflecting a steady traction across regions. Our profitability metrics showed even stronger traction. Gross profit increased to Rs. 52.95 crores, with a gross margin expansion sharply by 500 basis points QoQ basis to 38.45% compared to the 33.53% in Q1 FY'26. This improvement was driven by disciplined cost controls, better raw material efficiencies and improved product mix.

On the operating front, EBITDA rose to Rs. 31.03 crores, marking a 23.12% sequential increase, while EBITDA margins strengthened by 415 basis points to 22.53% compared to 18.38% in the previous quarter. This operating leverage continues down the P&L, with PBT rising to Rs. 35.39 crores reflecting a solid 12.4% growth QoQ basis. Our bottomline remained strong as well, with the PAT increasing to Rs. 26.08 crores, reflecting a significant sequential improvement. Basic EPS stood at Rs. 2.27 per share. We continue to see strong traction in the textile segment as well, though it has faced pressure from the evolving US tariff environment and a growing stronghold in the FMCG and oil and gas segment, both of which remain the key growth drivers for Fineotex. Our long-term growth trajectory remains robust and innovation continues to drive our business forward. Fineotex continues to strengthen its sustainability framework through measurable improvements across CRE environment and government parameters. The water consumption intensity declined. Carbon emissions have remained very low in the financial year 2025, reflecting a cleaner operation as well. Our solar power plant at Ambarnath facility continues to operate successfully, contributing to renewable energy adoption with our operations.

Furthermore, our continued focus on operational excellence and customer-centric solutions will allow us to unlock new revenue streams and expand our footprint across key and emerging markets. With a clear roadmap, a strong order pipeline and ongoing diversification into high-potential sectors like oil and gas, we are confident in delivering value to stakeholders and achieving our ambitious annual growth targets. The outlook remains very highly optimistic as we continue to build momentum for the long-term success. The Company is also progressing well on the other growth initiatives. We are increasing our focus on the oil and gas segment, where the Company has secured several major breakthrough orders during the quarter.

On the inorganic growth front, the company is actively reviewing multiple proposals and continues to evaluate opportunities that can strengthen our portfolio and support long-term growth.

With that, now I open the floor for questions. Thank you. Over to you, Sagar.

Moderator:

Thank you very much. We will now begin with the question and answer session. Our first question comes from the line of Manav Singh from MS Capital. Please go ahead.

- Manav Singh:** Sir, my question, like you were saying that the order pipeline is very strong, but it's not executed in the revenue, sir. It's a flat. Can you please tell, are the American tariffs impacting textile orders? Sir, the order line is not converting like revenues, flat, quarter on quarter, YOY is also less. Can you please tell?
- Sanjay Tibrewala:** Perfect. So yes, Manav, you rightly said there is definitely an impact on the geopolitical situation. So a lot of orders which are there in the books also, a lot of the customers' orders have got postponed. And so that has not been shown, but the orders are there, it has been just postponed to some extent. So yes, but at the same time, as you also understand that India has tied up with UK FTA, a lot of textile demand has come from UK. As you can also rightly indicate the trend, yes, the share of textile chemicals this quarter was lower compared to our general textile share. And there has been good increase in the other businesses. And we also hope that the textile will get back to track. Eventually it has to get back to the place where there is no other option so if you consider the US trade tariffs, so ultimately, we're definitely going to give some preference for the Indian textile.
- Moderator:** Sanjay sir, your audio was not coming clearly. It was breaking a little bit, in between.
- Sanjay Tibrewala:** Okay. So I will just repeat a few sentences. So I am just here, yes, there has been a climb in the textile chemical contribution in the quarter. However, the other industries, other businesses, which we are into Oil, Gas, Specialty Chemicals, and the cleaning and hygiene, they have done pretty well comparatively to the previous quarter. And that has given a good balance and their proportion has increased. However, having said that, the textile business will definitely be coming back to India based on the assurances of the kind of businesses we are expecting up with the other kind of, with the countries, the USA and UK as well. With UK, we have already tied up, India has already tied up for FTA, and we are very confident that even the US deal will happen soon. And the companies are going to get back to track with the order pipeline. So all in all, we are seeing a good H2 going ahead.
- Moderator:** Thank you. Our next question comes from the line of DK Singh from Devendra Capital. Please go ahead.
- DK Singh:** My question is on AquaStrike, sir. No orders yet for, you said, for the whole year, like 8 to 9 months are left in the last con-call. Any sir on the status? Can you please elaborate?
- Sanjay Tibrewala:** So as we have also mentioned that we are expecting good kind of businesses happening in this financial year. At the same time, we have got the approvals on the product. Our plant is under the approvals of the CIB, and we have got, we are awaiting the approvals of the plant for the production of this product as well. And it will be done in India now. So we are now shifting the production to India for this product. So there is a lot of technology transfers also happening at the other end. At the same time, we are on advanced level with certain government authorities and the products have been got very positive response from Haffkine Institute as well. And so we are very excited with that. I am quite confident that H2, we will surely have some orders on that from the government authorities.

DK Singh: Thank you so much.

Moderator: Thank you. Our next question comes from the line of Anirudh Daga from AV Securities. Please go ahead.

Anirudh Daga: Thank you for the opportunity. Sanjay sir, I just had a couple of questions regarding the warrant conversion. What is the status of the warrant, sir?

Sanjay Tibrewala: So basically, there are two warrant conversions. One is supposed to finish, the deadline I think is this Friday. I mean, I am not able to share too much information, but we have already started getting investments since yesterday. And we are anticipating that we will be able to get substantial portion of the warrants exercised by the investors.

Anirudh Daga: As of now, there is no clarity on the warrant conversion. Is that right?

Sanjay Tibrewala: As of now, I am not sure whether we, I do not have the numbers right now in front of me. And I am not also sure whether that is a number which I can share with you until and unless we share with the stock exchange. So I think by Friday, we will have the updated numbers. But giving you an indication that yes, we have started getting, we started getting the investments from the warrant holders and it has started coming since yesterday.

Anirudh Daga: Okay, sir. And so, as usual, the inorganic update?

Sanjay Tibrewala: Like I also mentioned now in my last stanza, you know, we are already being actively reviewing multiple proposals as usual, and we continue to evaluate a lot of opportunities. I think we are very confident to have good opportunities coming and closing down in this H2. The confidence is also coming from a point of view, this is the time when there is a little bit of, I can, I would say, softness in the global market, in the chemicals industry, and that leads to getting more opportunities. And this is the right time for any Company to acquire and invest into assets and into the global.

Anirudh Daga: So some news in the second half of the year, sir?

Sanjay Tibrewala: We are very hopeful about it.

Anirudh Daga: Okay. Thank you so much for your time.

Sanjay Tibrewala: Thank you.

Moderator: Thank you. Our next question comes from the line of Ekta Mundhra from Smart Sync Services. Please go ahead.

Ekta Mundhra: Good evening, sir. Sir, what percentage of your textile business is exposed by US tariff and how are you supporting the customers?

- Sanjay Tibrewala:** Perfect. So I will just take the couple of questions that you just mentioned. So as such, we do not export to USA directly, number one. However, there are many customers which we have in India and other countries. They are working for the US markets as US is one of the biggest consumers and naturally most of the textile companies will be depending or not even depending, but we have some kind of stake in US market. So what is happening right now, we are not directly getting affected. What's happening is the companies like, let's say, if I give you some names of Top Textile Companies, the face of India, let's say, these companies are having a time, because their main domination was in the US market. So once their orders get postponed to some extent, which is also getting covered up by the way and they are also able to manage their supply and with new product mix and other things. So there was a teething problem. There was a gap. I think the H2 is definitely going to become much better than the H1, especially for the textile industry. So this is all what we have been doing. And there has been some modifications in the product mix. And as you know, that Fineotex has the entire spectrum of the entire range of specialty chemicals for textiles, right from pre-treatment, dyeing, printing, finishing of any fabric, whichever it is, for cotton or PC or acrylic wool. So we have the kind of product range to excite the customers and cater to all their demands. So even if there is a change in the market, if there is more demand for not 100% cotton, but for 80-20 or something, we have the product range ready and with great references and that helps us to cover up our businesses as well. That's about it. Thank you.
- Moderator:** Thank you. Our next question comes from the line of Anupam Agarwal from Lucky Investment. Please go ahead.
- Anupam Agarwal:** Hi, Sanjay. Good evening. Thank you so much for taking my question. My first question was on the capacity. I believe our 16,000 ton capacity would have started at the start of the quarter. What was the utilization of the 16,000 tons in this quarter?
- Sanjay Tibrewala:** Yes. So basically, the way it is working is that we could enhance our capacity from mid of the last quarter. So as such, this quarter, we have done almost, let's say, 15,600 tons versus last quarter, which was 15,150 tons. So there is a, let's say, a growth of 3% to 4% in the volume as such. And Yes, so everything has been done. The growth is coming from the Ambarnath where the new plant is also established and things like that. We are ramping up it quite well.
- Anupam Agarwal:** Were there any volumes in the second quarter from the new plant, which is 16,000 tons?
- Sanjay Tibrewala:** Yes. We have started. At the same time, we have started almost, I can say, we have touched, we have already used 10% of it in the, just to, because these were the initial days. So naturally, we cannot use the highest capacity there. It takes time for the machines, to make sure the pipelines are in order. So this was just one month or let's say 45 days we could get. So I think H2, definitely there will be a lot of actions happening around there. Plus that plant is designed in a way where the economies of scale can be more achieved. The costing will be lower. And that's also reflecting to some extent in our, in our financials of Quarter 2, where the gross margins are getting a little bit better. But more important is the margins have also improved.

- Anupam Agarwal:** So what, if I have to take a guidance, what sort of volume growth are we looking at for the FY'26 over FY'25, given that the capacity has come in and now stabilized as well?
- Sanjay Tibrewala:** See Anupamji, generally, like in the last five years, we have seen that, we have done a growth of almost 45% CAGR. And they were having challenges, confidential time, external factors, geopolitical situations. Now, there are times where, as such we never lost any customer, as such, we never lost any product in any customer. However, if the demand of the customer reduces due to geopolitical situations, it really leads to delays and postponement of the orders. I mean, there is inventory, there are goods, there is goods line, but the customers are trying to sometimes delay it because their customers in turn are delaying it. So right now, we are hopeful that this month or maybe by next month, we will have some positive news from the USA market, whereas it's concerned for the textiles. When it comes to oil and gas, we are very excited, by the way, on that line. And we have done, in fact, our contribution on oil and gas sector, we have increased from earlier 4% Quarter 1 and now it's almost like 7%-8%. And there is almost, I can say, a growth of 80% on the Quarter 1 performance itself in the oil and gas. We were, we have been getting great in last week also we were exhibiting in ADIPEC in Abu Dhabi, which is the biggest oil show in the world. And there is a lot of attention coming to India, a lot of demand, a lot of interest has come to India for sustainable products and also cost-effective product lines. And we have added more and more team members in that division, that division will be shaping up very rapidly. So we are very hopeful about this division. So having said that, to come back to your question, I think if you consider from today onwards, I think there should be at least 15% growth rate in the coming times. Also, hoping that the geopolitical situations get better for India.
- Anupam Agarwal:** Just on the textile chemical business, I believe the volumes are stagnant over the many, last many quarters on that front, despite a declining market, so to say. Are we kind of gaining market share from someone else? Are we losing market share? Are there other countries who are currently supplying to US given the tariff situation?
- Sanjay Tibrewala:** So I will share what is our viewpoint about it. So number one, what's happening is we are gaining more attention from various new customers, new geographies. We are increasing our manpower, our investment in exhibitions. Even from tomorrow, we have Techtextile going on. Next week, again, there is an exhibition. In this last 30 days, we have four exhibitions in four parts of the world in four different industries. So we are growing in a way, in a diversified, so that we have more number of customers and more number of products also per customer. So that's the focused business USP we have. Having said that, what happens sometimes due to the consumption decline of the customer, like in the US market example. So we can say that, the growth is not reflecting directly in terms of numbers. But this is something which has, the action which we have taken in the past and even now, that has helped us to maintain a steady growth rate. However, I can also mention the revenue for textile contribution in this Quarter 2 was lower than Quarter 1, but that's the normal way happening everywhere. So in fact, it's still much better than what we were anticipating. If you ask us this question in the month of June or when the second tariff and penalties were issued on India. So we were not anticipating that we will reach even here. And going forward now, also what is happening, you know, what is happening is there is a gap in the supply chain already because earlier the malls and the big selling brand houses like

Walmart, they were not buying more. They were reducing their inventory because nobody wants to pay the duties and etc. But now due to the, supply shortage and other things which is happening in the, the right kind of fabrics are not available in the malls. So then there is a gap. There is big, there is picking up. Things are getting better than before. So I think I can say that the worst is behind us in textile. That's the way we are looking at things.

Anupam Agarwal: Understood. If I may squeeze another question, just a comment. FMCG business, I see some sort of quarter on quarter improvement on that. Given the new GST rate cuts and everything, are you seeing some sort of demand pickup or inquiries flowing through in the FMCG business?

Sanjay Tibrewala: So generally what happens is when there is a, I mean, like in this case, there was GST cut. So there, I mean, most of the FMCG companies, they have two choices, either to reduce the price or to keep the same price and give a better quality product. Now that's the second part, which I said is the place where we enter because we produce a lot of performance boosters, a lot of surfactants, a lot of sustainable product lines. And that is the place, there is a comfortable place where they are ready to use more of these products in their product line. That has helped. Plus there is, you can say the seasonal Diwali festival and things like that, which also helps us to gain a little bit more volumes on that line. So, you know, Yes, that is also both. There are two reasons for that. That's the reason you can see the growth on quarter on quarter basis on that line.

Anupam Agarwal: Understood. I have some more questions. I will come back in the queue. Thank you.

Sanjay Tibrewala: Thank you. You can complete if you want. I mean, if it's one or two.

Anupam Agarwal: Sure. On the gross margins, I wanted to understand. So there's a drastic improvement quarter on quarter again. Is there some sort of low price raw material benefit that we have? Maybe we had in the inventory, which we've used up this quarter, or is it some sort of steady state given the product mix that we have right now?

Sanjay Tibrewala: No, it's more about the product mix, which has changed a bit. And also the new businesses of oil and gas, which is also very promising. And yes, so these were the factors leading to it as such.

Anupam Agarwal: So there's no low cost inventory in the quarter 2?

Sanjay Tibrewala: No, not at all. But, also in the past, if you see always our profitability was, I mean, the gross margins were always around 35%. 35% to 38% was the general thing. In fact, even if you see our books for the last 14 years of being listed, 56 quarters, you will always see our gross margins has been at least 30% to 40% generally. And the EBITDAs have always been minimum 17% in any of the quarters of the last 56 quarters of being listed. So I think, these are like certain times some orders get postponed. Sometimes you get more orders of the products which have more EBITDAs. So the product mix keeps changing. What is important is that we have the entire range of product lines which excite the customers and we can engage the customers, give them the best sustainable solutions. And the kind of R&D efforts and investments which we keep

doing and developing more and more solutions, that is something which keeps us on the edge and the customers are very satisfied with the solutions and the product lines.

Anupam Agarwal: Understood. Thank you so much, Sanjay. Hoping to see a good second half and wishing the entire team all the best.

Sanjay Tibrewala: Thank you, Anupamji. Thank you so much.

Moderator: Thank you. Our next question comes from the line of Love Gupta from Counter Cyclical Investments. Please go ahead.

Love Gupta: Hi, sir. Thank you for the opportunity. So I just wanted to understand our newer segments like oil and gas, water treatment, AquaStrike. What sort of revenue contribution can we expect from these segments going forward and about like an approximate year-on-year growth rate from these newer segments?

Sanjay Tibrewala: Thanks, Mr. Gupta. So, I mean, historically, if you see the last 14 years of our performance, our Company has grown CAGR 14 years by 30%. Last five years has been incredibly nice for almost 40% growth, something like that. I mean, it doesn't mean that every year we'll have the same kind of run rates. But yes, the minimum growth rate, which we generally have is almost 15% to 20% year-on-year basis. Now, we have been working, investing, adding more manpower and businesses for AquaStrike, for oil & gas, for cleaning and hygiene, I can say that we are working with the best, biggest brands, oil and gas in the cleaning and hygiene areas, in textiles. We are already a brand leader here and we are enjoying the brand value also. And that is also one of the reasons why we have better EBITDAs than any other company in the industry. So, it's not very easy to answer your question numerically, but I would say that average, generally, we always anticipate a growth of 20% year-on-year. And that's the place we always aspire. Our team is always looking at. And if it does not happen in one year, then the second year takes care of the last two years also growth rate. So, that's something which I can share with you.

Love Gupta: All right. And these newer segments, are the margins better or at similar levels, comparative levels?

Sanjay Tibrewala: Gross margins, definitely better. And yes, so that's about it. No, I mean, for the detergents, the gross margins are much better. The reasons are also that, I mean, detergents, I mean, we have two sub-verticals. One is the branding one. And one is the place where we are supplying to FMCG ones. So, if you talk about the branding ones, there is a bigger, higher gross margins. But if you talk about the FMCG ones, where we supply our specialty performance booster to the FMCG company, it's more or less in the same, maybe a little lower gross margins. But then the EBITDA margins is something which we have to focus upon. That's the way we look at our businesses. So, ultimately, how we look at our business is on the EBITDA margins. And that's something that has to be well taken care of. And this business is growing, actually. It's a transitional level where it is today. So, we are just looking at and very much optimistic and excited about what's unfolding for us in the new divisions.

- Love Gupta:** All right. So, just one last question from my side. So, what sort of a sustainable EBITDA margin can we expect for the whole year?
- Sanjay Tibrewala:** I mean, if you see our historic performances, it's always around 22% to 23%. If you see an average, we are always here. Sometimes it has become 27%. Sometimes it has become 19%. But it also depends on what kind of product mix and trends are continuing in the industry. If there are more specialty names of products which are in demand. So, we will have more, we have the increase in the EBITDA margins on that line. It will be never because we have more than 1,500 SKUs. We have more than 500 approximately product categories. It's the entire basket of product lines. There are trends of the product mix which keeps changing. And so, our product also changes. The profitability of it also has a deviation on that.
- Love Gupta:** All right. Understood. Thank you so much.
- Sanjay Tibrewala:** Thank you, Mr. Gupta.
- Moderator:** Thank you. Our next question comes from the line of Parth Ketan Modi from Equirus. Please go ahead.
- Parth Ketan Modi:** First of all, a clarification that you mentioned oil and gas contributed 7% in this quarter. Is my understanding correct?
- Sanjay Tibrewala:** Yes, Parth. You are right.
- Parth Ketan Modi:** Okay. So, Rs. 10 odd crores will be from this segment. And how much? Could you share the order book and potential revenue from this vertical for the whole year and next couple of years?
- Sanjay Tibrewala:** I mean, this is a division which we are just, it's not even two years and there are a lot of actions happening. So, I mean, it's very tough to estimate right now what's going to unfold. If you see our health and hygiene division in the year '21, in fact, December '21, our health and hygiene sector was only 3% of the total business. And then it became to a level where it became almost 40%. I mean 40%, but the overall growth was also there. That also has doubled in the last 3 years, the sales from '21 to '24. So, basically, these are the new drivers. We are very optimistic. It's very difficult to say whether it will become Rs. 100 crores or Rs. 500 crores or Rs. 200 crores, wherever it goes to. But I think there is a lot of interest coming in from the customers. We are very much excited about the kind of requirements which are coming in. And we are adding more and more manpower to cater to the demand on that, for the marketing and for the product development. So, that's the way it is. There are a lot of approvals. By the way, this industry is not about, know, even if the product is approved, it doesn't mean anything, by the way. Because until and unless the contracts are over, which are lying for two years, three years, four years, it's a very long process. Even if the product is approved, it has no meaning at all until and unless the renewals come in. And so, the gestation period in this line is two to three years. So, that's the way it works.

- Parth Ketan Modi:** Okay. Thank you so much. That will be all.
- Sanjay Tibrewala:** Thank you so much, Parth.
- Moderator:** Thank you. Our next question comes from the line of Rahul Kothari, an investor. Please go ahead.
- Rahul Kothari:** Hi, I just wanted to know the revenue breakup into textile, FMCG and oil and gas. And also, if we are seeing any opportunity in defense sector, maybe a couple of years down the line?
- Sanjay Tibrewala:** Sorry, Rahul, could you repeat your first question? First is the breakup you asked for, right? So, 80% is more or less. No, sorry. Now, it's 74% is textiles broadly. And so, yes, 75%, let's say. And let's say 7% is oil and gas. And the rest is on the other industries.
- Rahul Kothari:** Okay. And the next question is like, are you looking for any opportunity in defense sector?
- Sanjay Tibrewala:** Okay. So, basically, what happens is, defense definitely helps our product lines and product segments. Most of the defense fabric, they require a lot of technical finishes, which is water repellents, oil repellents, blood repellents, and anti-flammability. And our biotech arm producing, which the German technology made in Malaysia, where we own 72% stake, is specialized on technical textiles. Now, many of the... In fact, from tomorrow, the exhibition is starting in Nesco for three days for technical textiles, where Fineotex is also exhibiting. We all will be there meeting the new demands and the new trends in the defense sectors for the fabrics, for canvas tents, for the parachutes, fabrics, and other things. And all of these are generally to be treated by chemicals, not mechanically. I mean, mechanically is there, but these finishes are impacted. These technicalities and performance comes into the fabric by the use of chemicals. We are already strong in that segment. And the more and more such kind of business is developed, and the consumption of these chemicals always going higher for that. So, indirectly, yes, we are catering to those demands also. There is a lot of demand in Brazil for these kinds of defense fabric, in Turkey, and also in India. There are so many technical textile companies like, as you must be knowing, Kusumgar and others. So, they have been growing quite well in the defense sector for the government supplies. And we are one of the suppliers to these, such kind of industries.
- Rahul Kothari:** Okay. Thank you. Thank you so much.
- Moderator:** Thank you. Our next follow-up question comes from the line of Manav Singh from MS Capital. Please go ahead.
- Manav Singh:** Yes, sir. My question is, sir, for the rest of the quarter, like you say, for the Q3, how are you seeing the textile and what will be the revenue? You are saying that it will be grow. How you see the traction of revenue, the environment for the business? My question will be that. So, textile, oil and gas, you have said, it's a foreign type of, for textile, how are you seeing the environment in domestic market?

- Sanjay Tibrewala:** I can clearly see that the H2 is going to become better than H1. That's the trend which we are already looking at things and we are already confident on that. So, whether it will happen directly now or in next month or next to next month is something which is not, we are not able to guess right now because this is the way it is. At the same time, we will not be able to diverge a lot of information about this quarter going on. But yes, things are getting nicer for the overall industry and H2 is definitely going to become better than H1 for the textile companies in general, in India.
- Manav Singh:** You said, AquaStrike will be able to get orders this quarter or next quarter. Like in summer, your product will be more useful, like you said, for the Indian government, where there is obviously for mosquito, it is. Can you please shed some light on it?
- Sanjay Tibrewala:** Like I also mentioned in this meeting today to all the participants that, yes, we are very hopeful and confident that in H2 we will definitely crack good the maiden orders from the government of India for the AquaStrike and other things. So, that's the way we would like to take it ahead.
- Moderator:** Thank you. As there are no further questions from the participants, I now hand the conference over to Mr. Sanjay Tibrewala for closing comments.
- Sanjay Tibrewala:** Thank you, everyone. We hope we were able to give some more insights. We are very accessible. You can always contact our investor relations company, Adfactors, or write to us on investor.relations@fineotex.com. Have a good evening. We will be continuing to do our best and we'll keep updating all the investors time to time on the stock exchange and whenever we have any announcement coming up. Thank you so much.
- Moderator:** Thank you. On behalf of Fineotex Chemical Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you.